

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

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| (1) DEPARTMENT Public Works | (2) MEETING DATE 5/7/2013 | (3) CONTACT/PHONE Courtney Howard, Water Resources Engineer (805) 781-1016 | |
| (4) SUBJECT Consideration of the Paso Robles Groundwater Basin Management Plan implementation update and request to approve appointments to the Blue Ribbon Committee. Districts 1 and 5. | | | |
| (5) RECOMMENDED ACTION It is our recommendation that your Honorable Board, acting as the San Luis Obispo County Flood Control and Water Conservation District (District): 1. Receive a Paso Robles Groundwater Basin Management Plan implementation update and consider the prioritized list of recommendations, as illustrated in Exhibit "A;" and 2. Approve appointments to the Blue Ribbon Steering Committee as shown in Exhibit "B." | | | |
| (6) FUNDING SOURCE(S) Flood Control General (1300000000) | (7) CURRENT YEAR FINANCIAL IMPACT \$25,000.00 | (8) ANNUAL FINANCIAL IMPACT N/A | (9) BUDGETED? No |
| (10) AGENDA PLACEMENT <input type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. ____) <input checked="" type="checkbox"/> Board Business (Time Est. <u>240 mins.</u>) | | | |
| (11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input checked="" type="checkbox"/> N/A | | | |
| (12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A | | (13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: N/A <input type="checkbox"/> 4/5th's Vote Required <input checked="" type="checkbox"/> N/A | |
| (14) LOCATION MAP Attached | (15) BUSINESS IMPACT STATEMENT? No | (16) AGENDA ITEM HISTORY <input type="checkbox"/> N/A Date: 12/18/12; Item #35 | |
| (17) ADMINISTRATIVE OFFICE REVIEW <i>Nikki J. Schmidt</i> | | | |
| (18) SUPERVISOR DISTRICT(S) District 1 - District 5 - | | | |

Reference: 13MAY07-BB-1

County of San Luis Obispo



TO: Board of Supervisors

FROM: Public Works
Courtney Howard, Water Resources Engineer

VIA: Paavo Ogren, Director of Public Works

DATE: 5/7/2013

SUBJECT: Consideration of the Paso Robles Groundwater Basin Management Plan implementation update and request to approve appointments to the Blue Ribbon Committee. Districts 1 and 5.

RECOMMENDATION

It is our recommendation that your Honorable Board, acting as the San Luis Obispo County Flood Control and Water Conservation District (District):

1. Receive a Paso Robles Groundwater Basin Management Plan implementation update and consider the prioritized list of recommendations, as illustrated in Exhibit "A;" and
2. Approve appointments to the Blue Ribbon Steering Committee as shown in Exhibit "B."

DISCUSSION

On March 27, 2012, your Board adopted the Groundwater Management Plan (GMP) for the portion of the Paso Robles Groundwater Basin (Basin) within its jurisdiction exclusive of local agency/water purveyor service areas. The GMP was developed by the City of Paso Robles in cooperation with the District and with a Steering Committee made up of Basin stakeholders in order to identify objectives and activities for stabilizing groundwater levels. Given the significant declines in water levels in the Basin over a 30 year period and recognizing the need to proceed in a timely fashion, your Board directed staff to return at the end of 2012 for a progress update.

As part of the progress update on December 18, 2012, staff provided your Board with a recommendation to authorize staff to proceed with the development of requests for proposals to conduct feasibility studies on high priority alternatives for stabilizing groundwater levels in the Basin as shown in Exhibit "A." Your Board authorized staff to proceed and to return with recommendations on priorities in four months.

Recommendation for Staff Priorities

Staff is recommending that your Board authorize staff to proceed with feasibility studies focused on opportunities to utilize State Water and the Salinas River Watershed and Reservoir to supplement the Basin water supply. These opportunities appear to have the most significant quantity of water

available to help supplement Basin supplies. Opportunities associated with the Salinas River Watershed and Reservoir may also include use of available Nacimiento water supplies.

The proposals will include the following scope of work:

- Evaluating what benefits/opportunities exist with each source of supply.
- Evaluating constraints that exist for the supplies and how those constraints would need to be addressed before either supply could be feasible.
- Defining the various mechanisms for implementing the alternatives, including infrastructure needed, institutional structures and arrangements.
- Using the updated basin computer model, evaluate Basin response under each alternative.
- Prepare the feasibility study in a way that develops information needed for relevant grant programs, Federal and State agency requirements and local planning efforts.

With respect to the existing pumping of the basin, efforts associated with demand management and recycled water is being considered by the Steering Committee and individual agencies, respectively.

It is anticipated that staff will return to your Board for approval of a contract (or contracts) to conduct the feasibility studies and an associated budget adjustment in early fall. This timing would also coincide with the availability of the updated basin model for use in conducting the studies.

Blue Ribbon Steering Committee Recommendation

Your Board acted to form the Steering Committee officially as a “Blue Ribbon” Steering Committee and added the following line to the Resolution of Adoption:

"WHEREAS, the District intends to appoint a Blue Ribbon Committee to advise on implementation of the GMP and intends the Blue Ribbon Committee will: 1) recommend actions to stabilize the Basin; 2) recommend structures for management and accountability of GMP activities, and 3) recommend financing and cost sharing approaches for implementation activities."

Consequently, the Steering Committee has developed a “solutions” list and associated evaluation and ranking process, which is included in their attached letter to your Board (Exhibit “C”). Recognizing the need for coordination of efforts associated with administering and funding programs and projects aimed at stabilizing groundwater levels, the Steering Committee is recommending that your Board support funding of efforts to address governance options for basin management-specifically the formation of a groundwater management district.

Staff is generally supportive of the Steering Committee’s recommendation. We believe that considerations of governance options is important because it will identify legal alternatives that exist under existing statutes and will, as a result, provide stakeholders with a greater understanding of those options. It seems apparent, however, that considering statutory options for governance will also need to include consideration of other issues such as:

- How might funding be developed for formation and ongoing administration of any of the governance options?
- How might water allocations be determined, i.e. how would different governance options affect demand management?
- How might these governance options support implementation of supply options, if any?

- Will there be sufficient stakeholder support of any of the governance options?
- What other issues and questions or concerns will be identified?

Blue Ribbon Steering Committee Membership

The Templeton Community Services District (CSD) and Paso Robles Wine Country Alliance (PRWCA) have new staff assigned to participate on the Steering Committee and your Board's approval of the new membership appointments as shown in bold in Exhibit "B" is needed at this time. The Monterey County Water Resources Agency will also be assigning staff to serve as an alternate for the Steering Committee at a later date.

OTHER AGENCY INVOLVEMENT/IMPACT

The Steering Committee supported staff's recommendation during its meeting on April 18, 2013. The Steering Committee supported the appointment of the new Templeton CSD and PRWCA representatives on the Steering Committee during its meeting on February 21, 2013.

The Water Resources Advisory Committee is considering staff's recommendation during its meeting on May 1, 2013. Staff will provide a verbal report on the outcome of its consideration during the progress update for your Board.

The District, City of Paso Robles, San Miguel Community Services District and certain overlying landowners (known as "PRIOR") are party to the 2005 Paso Basin Agreement that, among other provisions, speaks to ongoing coordination of the parties on the monitoring and management of the Basin. That ongoing coordination has occurred via membership and participation on the Steering Committee. However, the parties will need to coordinate directly on the issue of overdraft in accordance with the Agreement.

The City of San Luis Obispo, Nacimiento Commission, State Water Subcontractors, Central Coast Water Authority, Department of Water Resources and other applicable local, State and Federal agencies may also be interested in reviewing and/or contributing to the feasibility studies.

FINANCIAL CONSIDERATIONS

Efforts associated with implementation of the GMP for the Basin are included in Flood Control Fund 19, whose revenue source is District Reserves. The Flood Control Fund 19 budget for the current fiscal year is insufficient for developing requests for proposals, as staff effort associated with Basin activities is anticipated to exceed the approved budget. Therefore, a \$50,000 inter-fund transfer from District reserves to Fund 19 will be submitted for your Board's consideration during your normal 3rd quarter budget review. In the meanwhile, staff is still able to charge time to "Flood Control General" (Fund 1300000000) which has sufficient funding.

RESULTS

Directing staff to proceed with developing requests for proposals to conduct feasibility studies will allow staff to develop accurate recommendations for the scope of effort and financial requirements to develop information for the alternatives for stabilizing groundwater levels in the Basin. Moving forward with efforts to determine how to stabilize levels will help to ensure the Basin is effectively managed so it can remain a reliable source of water for all of its users, contributing to a safe, healthy, livable, prosperous and well-governed community.

File: CF 500.132.01 Groundwater Management Plan – Paso Robles Basin

Reference: 13MAY07-C-8

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ATTACHMENTS

1. Vicinity Map
2. Exhibit A - Alternatives for Stabilizing Groundwater Levels
3. Exhibit B - Blue Ribbon Steering Committee Membership
4. Exhibit C - Blue Ribbon Steering Committee Recommendations Letter